

**MINUTES OF THE BOARD MEETING  
OF THE BRISTOL COUNTY WATER AUTHORITY**

**Wednesday, August 28, 2013  
450 Child Street, Boardroom, Warren, RI**

---

Pursuant to proper notice, the Board Meeting of the Bristol County Water Authority was called to order by Chairman Klepper at 6:00 pm, 450 Child Street, Boardroom, Warren, Rhode Island.

Executive Director Pamela Marchand, Legal Counsel Joseph Keough and the following Directors were in attendance at the commencement of the meeting:

Robert Allio, Paul Bishop, William Gosselin, John Jannitto, Allan Klepper, Georgina Macdonald, Raymond Palmieri, Sr., Frank Sylvia

Directors Absent: Bradford Louison

**1. There was no public input.**

**2. Approval of Minutes**

Director Sylvia made the following motion seconded by Director Jannitto

**MOTION: To approve the minutes of 7/24/13 Board meeting.**

**Motion passed unanimously.**

Director Bishop made the following motion seconded by Director Jannitto

**MOTION: To approve the minutes of 7/31/13 meeting.**

**Motion passed unanimously.**

**3. Executive Director's Report**

Executive Director P. Marchand reviewed her Directors Report: she stated that water production to date is 7% below that of last years'. Work on the Bay View Tank is being done in-house and will be completed the first week in September. R. Manchester has been working with CUSI on formatting the customer service software. Work has begun on Poppasquash Road. Engineering Services – Pare Corporation will be updating the Water Supply System Management Plan for \$19,500.

**4. Financial Report – M. Champagne**

M. Champagne stated the Financial Report format has been updated, making the report easier to understand.

Director Palmieri asked that legal fees and professional fees be split into two categories.

**5. Presentation – Washington Trust Pension by Gene McCabe and Joan Caine**

G. McCabe highlighted BCWA's investment performance report. Fiscal year ending June 30, 2013 the net return from investments was \$399,713. Stocks outperformed bonds, with BCWA's total averaging 8.6%.

M. Champagne stated that the BCWA does not have an investment policy and he will be working with Washington Trust to create a policy. The policy will have to be approved by the Board.

Chairman Klepper stated that stock to bond ratio was not changed at last year's review. BCWA went out for RFP on investment services and further discussions on possible changes to policy were stopped. The Board did not request Washington Trust to make any changes.

The Chairman asked that the Finance Manager meet with Washington Trust Investment Manager concerning an Investment Policy, item to be added to September Meeting.

**6. Pension Amendment Regarding Closing 403b to Change to 457b**

Director Macdonald made the following motion seconded by Director Allio

**MOTION:** To accept the termination of BCWA Retirement Plan 403b, as presented.

**Resolution of the Board of Directors  
Of the Bristol County Water Authority  
Termination of Qualified Retirement Plan**

The Directors of the Bristol County Water Authority ("Employer"), hereby consent to the adoption of the following resolutions pursuant to a duly noticed meeting of the Directors, at which a quorum was present and effective as of the date written below:

WHEREAS the Employer has maintained the Bristol County Water Authority 403(b) Retirement Plan ("Plan") since March 1, 2012 for the benefit of eligible employees.

WHEREAS after review and evaluation by the Board of Directors, the Employer has decided to terminate the Plan, effective February 7, 2013.

WHEREAS the Employer desires to adopt amendments required to bring the Plan into compliance with the qualification requirements applicable to the Plan as of the effective date of the Plan termination.

NOW, THEREFORE, BE IT RESOLVED that the Employer hereby terminates the Plan effective February 7, 2013.

RESOLVED FURTHER that the Employer hereby authorizes the adoption of the attached Custodial Account under Code §403(b)(7) Plan Amendment (2013 Termination) to freeze all contributions under the Plan and to bring the Plan into compliance with the qualification requirements applicable as of the effective date of the Plan termination. No further contributions will be permitted or made under the Plan with respect to Plan Compensation earned or after the Effective Date of the termination.

**RESOLVED FURTHER** that the Employer hereby authorizes the Chair (or any other authorized person) to perform the actions necessary to execute the termination amendment. A copy of the termination amendment shall be retained in the business office of the Employer.

**IN WITNESS WHEREOF**, the Directors have executed this Consent this 28<sup>th</sup> day of August, 2013.

**Motion passed unanimously.**

**7. Line of Credit – Authorization to Borrow Funds – Request Limit Change**

Executive Director P. Marchand stated BCWA has a \$500,000 line of credit to be used as needed for computer equipment and services. Amount budgeted is \$300,000.

M. Champagne stated that BCWA will be spending \$1.2 million on capital projects this year.

Chairman Klepper requested that the Executive Director request funding for specific items to be voted on at the next meeting.

**8. Bid Award – Water Construction and Repair Materials**

Director Macdonald made the following motion seconded by Director Sylvia

**MOTION:** To award low bidders according to their submitted bid prices as follows:  
Pipe and Fittings – Warwick WinWater Works, Warwick, RI; Valves, Tapping Sleeves & Valves, Valve Boxes and Accessories – HD Supply, Dedham, MA; Water Main Repair Materials – Ti Sales, Sudbury, MA; Fire Hydrants – HD Supply, Dedham, MA; Water Service Construction Materials – E.J. Prescott, Lincoln, RI.

**Motion passed unanimously.**

**9. Bid Award – Maintenance and Service Work**

Executive Director P. Marchand stated further information is needed on this item. Item to be added to September agenda.

**10. Quarterly Charge-Offs**

Director Sylvia made the following motion seconded by Director Gosselin

**MOTION:** To approve the Quarterly Charge-Offs in the amount of \$8,611.01.

**Motion passed unanimously.**

Director Macdonald requested to have Charge-Offs approved annually.

Chairman Klepper stated item will be added to the September agenda, a policy change is needed.

**11. Board Questions Regarding 7/24 Pension Report Presentation**

There were no questions from the Board.

**12. Amendment of Bristol County Water Authority By-Laws (see attached proposed revisions)**

Legal Counsel J. Keough stated that changes had been made to conform with legislation changes.

Director Sylvia made the following motion seconded by Director Gosselin

**MOTION:** The Directors of the Bristol County Water Authority hereby consent to the amendment of the Bristol County Water Authority By-Laws at a validly noticed meeting of the Board of Directors at which a quorum was present, and pursuant to a unanimous vote effective as of the date written below:

**RESOLVED:** That the amendment to the Bristol County Water Authority's By-Laws be, and the same hereby is, approved and adopted in the form attached hereto.

**IN WITNESS WHEREOF,** the Directors, by and through the Chair, have executed this Consent and adopted this Resolution this 28<sup>th</sup> day of August, 2013.

**Motion passed unanimously.**

Resolution to be posted on BCWA's website and sent to Town Councils.

**13. Review of Tri-Town By-Law Change Recommendations**

Changes to be voted on at the September meeting.

**14. Initiate Legislation for Amendment to the Bristol County Water Act Concerning the Appointment of Board Officers**

Discussion whether Board Officers are needed.

**15. Billing Change Options to Improve Collections**

Director Macdonald requested email addresses be added to the water service application. Also – credit report should be obtained on all renters, increase deposit to \$500 and have automatic deductions from credit cards.

Director Sylvia stated that if BCWA were to charge 1% interest rate, a public hearing would have to be held first.

Director Gosselin stated it would be difficult for some renters to rent here if deposits were increased.

Director Allio made the following motion seconded by Director Macdonald

**MOTION:** Approve charging 1% interest rate per month for late payments and charge a \$25.00 tagging fee for the cost of tagging a property for non-payment.

Chairman Klepper stated a public hearing must be held, the public must be notified.

Director Allio amended his motion which was duly seconded

**AMENDMENT: Changes will be effective January 2014.**

**Amendment to motion and motion passed unanimously.**

**16. Management Development and Compensation Committee (a) Executive Director Compensation (b) Engineering Project Manager**

Director Bishop made the following motion seconded by Director Jannitto

**MOTION: Committee recommends - increasing the Executive Director's salary by 5% and compensating her TDI and LTD insurance.**

Director Sylvia asked the Executive Director's accomplishments for the past year and half.

Executive Director P. Marchand stated some of her accomplishments - the 20 year capital plan, Bond financing, Strategic Plan, Water source supply, Rate increase.

Director Macdonald requested total dollar amount of – salary, car, LTD and TDI.

Chairman Klepper stated item will be voted on in September.

**(b) Engineering Project Manager**

Executive Director P. Marchand stated that she needs a full time Engineering Project Manager and that she would supervise the work done by this Manager. BCWA has a very aggressive project schedule in the 20 Year Capital Plan as approved by the Board.

Director Sylvia stated the salary for this position is \$80,000 with benefits it will be over \$100,000.

Director Sylvia left the meeting at 8:50 pm.

Director Palmieri stated he had a problem hiring another manager. His job description overlaps what the Executive Director should be doing.

Director Janitto stated that the Board had voted to perform all of this work, now they need to provide the people to do the work.

Director Bishop stated that there is a considerable amount of work to be done by the engineer and that it may be difficult to find one in the salary range proposed. Entry level engineers start at over \$60,000. He made the following motion seconded by Director Jannitto:

**MOTION: To approve Engineering Project Manager Position.**

**Motion passed 5 – 2. Voting Aye Chairman Klepper, Directors Gosselin, Bishop, Allio and Jannitto. Voting Nay Directors Palmieri and Macdonald.**

**17. CUSI Computer Program Installation Date**

Executive Director P. Marchand stated that CUSI will be here for 3 days in September for a discovery phase on the conversion of our existing information.

**18. CDM-Smith Pawtucket Water Supply Study Project**

Chairman Klepper stated he would like all three town councils to attend a presentation by CDM-Smith. We will be requesting a date in October for the presentation.

**19. Board Correspondence**

Chairman Klepper distributed Ethics and Open Government information.

Chairman Klepper stated a meeting will be scheduled for 9/11/13 to vote on the compensation for the Executive Director. 9/18/13 – Strategic Plan Workshop and 9/25/13 will be the Board Meeting. Since not all directors are present, we will take a poll on the date of the Strategic Plan Workshop.

Director Jannitto made the following motion seconded by Director Macdonald

**MOTION: To adjourn the meeting.**

**Motion passed unanimously.**

There being no further business, the meeting was adjourned at 9:10 pm.

---

Allan C. Klepper  
Chairman